



PSC NEWS

Missouri Public Service Commission

Contact: Kevin Kelly

Phone: (573) 751-9300

Governor Office Building, Suite 600

FY-07-14

FOR IMMEDIATE RELEASE

JULY 21, 2006

PSC GRANTS EMBARQ REQUEST FOR COMPETITIVE CLASSIFICATION FOR SOME OF ITS EXCHANGES

JEFFERSON CITY—The Missouri Public Service Commission has granted an Embarq Missouri, Inc. (Embarq) request for competitive classification for residential services, other than exchange access service, in its Buckner, Lake Lotawana, Oak Grove, Odessa and Pleasant Hill exchanges under a state law which took effect in August of last year.

Under competitive classification, Embarq will no longer be subject to price or rate regulation by the PSC in the Buckner, Lake Lotawana, Oak Grove, Odessa and Pleasant Hill exchanges. Embarq will be permitted to raise or lower its telephone prices at its own discretion, subject to the marketplace. The PSC will retain its ability to regulate quality of service, service termination and other billing issues.

In this case, state law requires the Commission to issue its decision within 30 days of Embarq's June 29, 2006, filing. Under the law, the 30-day criteria for determining competitive classification is based upon the existence of two other entities providing basic local telecommunications service. One entity may be a wireless provider, the other a wireline company that is providing local voice service using facilities that it has either a partial or full ownership interest.

The Commission reviewed information filed by Embarq as well as the PSC Staff recommendation for approval. Based upon that information, the Commission finds that there is at least one non-affiliated entity providing "local voice" service, in whole or in part, over facilities in which it, or one of its affiliates, has an ownership interest. In addition, the Commission finds that there is at least one non-affiliated wireless provider providing service to residential customers in the Buckner, Lake Lotawana, Oak Grove, Odessa and Pleasant Hill exchanges.